

# CARD ROOM CONNECTION

Volume V, Issue I

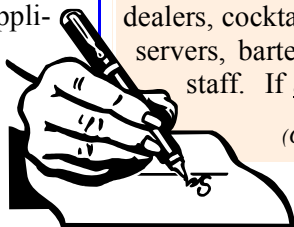
January—June 2004

## Signatures on Your Renewal Application

A reminder that both you and your employer must sign your Renewal Application. Persons that may sign as your employer depends on type of business that owns the card room. If the card room is owned by a corporation, the president or chief executive officer must sign. If it is owned by a partnership, any partner can sign, or any manager of an LLC. Your employer may authorize another person to sign in their place by submitting an Authorized Signature Form to us.

If a signature is missing or the wrong person signs the application, a copy of the application will be returned for the correct individual to sign. This causes delays in processing your application and getting a license to you. We will not issue a license until the application is signed by you and your employer, and all information is complete.

If the proper person is not available to sign the application, please contact us for arrangements or you can submit a Power of Attorney giving authority for another individual to sign.



## Tips and the IRS

By: Keith Wittmers, Special Agent  
and Card Room Coordinator

The Internal Revenue Service (IRS) is preparing to roll out an initiative affecting Washington State gambling establishments. This undertaking is part of a nationwide effort to improve tip reporting compliance in casinos, card rooms, and similar facilities. The IRS proposes to work closely with each taxpayer to set reasonable tip rates for each class of tipped employee that exists. Covered workers will include but not necessarily be limited to dealers, cocktail servers, food servers, bartenders, and bus staff. If at least 50% of

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## Proposed Rule Change! Renewal Application Due 30 Days Before Your License Expires

An upcoming proposed rule change would require you to have a valid license on hand at all times. To accomplish this, you would be required to submit your renewal application and fees thirty days before your license expires. This allows staff time to process your application and for you to receive a new license in the mail, *before* your license expires.

It can take 15-30 days for us to process a renewal application and for you to receive a new license in the mail. If your renewal ap-

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## WORD SEARCH

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Answer Key is  
on the back  
page

Bet  
Cage  
License  
Report  
Deposit  
Receipts  
Rules  
Jackpot  
Renewal  
Signature  
PaiGow

*Protect the public by ensuring that gambling is legal and honest.*

## Rule Change

### Betting Limits

The Recreational Gaming Association petitioned the Commission to increase card room betting limits from \$100 to \$300. After discussion at five Commission meetings, an increase was allowed on a limited basis. Beginning July 1, 2004, betting limits were increased to \$200, based on the number of tables authorized in a card room:

- ♣ Five or fewer tables could have one table at the higher limit;
- ♥ Six to ten tables could have two tables at the higher limit;
- ♠ Eleven to fifteen tables could have three tables at the higher limit.



### How to Comment on Proposed Rule Changes

The Card Room Connection contains updates about proposed and adopted rule changes that directly affect you. A list of *all* rules changes currently under discussion is always available on our website at [www.wsgc.wa.gov](http://www.wsgc.wa.gov) / Rules and Laws / Rules under Review.

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plication is not properly completed, it takes even longer.

Currently, we allow you to continue working if your renewal application is at agency headquarters and postmarked no later than the expiration date of your current license on the condition that our agency database (on the agency website) reflects that your properly postmarked, renewal application has been received. This process has not worked well, which is why the change is proposed.

We have taken administrative action against card room employees (CRE) because they were working without a valid license. Their renewal application had been mailed in; however, we received it *after* the current license had expired. The agency database wasn't checked to see if we had received the renewal application before the license expired. And, the CRE continued working with an expired license.

**Common Scenario:** A CRE mails in their renewal application a few days before their license expires. The CRE asks their employer to check the agency's database to see if the renewal application has been received by us. If the database indicates it was received prior to the expiration date of their license, the employer may allow the CRE to work. Because, it takes 15 -30 days for the CRE to receive a new license in the mail, the CRE may be working up to 30 days without a valid license on hand.

*(Continued in next column)*

**Common Problems:** A field agent visits the card room and a valid license is not on hand because the CRE waited until the last day to mail in their renewal application. When this happens, the agent must return to his/her office and search the agency database to see if the renewal application was timely received by staff. If it was not timely received, the agent must return to the card room to address the issue of the expired license.

Furthermore, Licensing Services staff receives numerous calls from CREs checking to see if we received their renewal application and asking staff to immediately update the agency database so their employer can check the database and allow them to work. This takes away a large amount of time staff could spend processing renewal applications.

**Why is the change proposed?** Field staff are spending a lot of time verifying CREs have submitted renewal applications on time. Licensing staff are responding to numerous calls from CREs and their employers following-up on renewal applications that are submitted at the last minute or late.

These problems can be resolved if a valid license is required to be on hand at all times. Submitting a renewal application 30 days before your license expires ensures you will receive a new license in the mail before your current license expires.

Requiring a current license to be on hand at all times ensures, at a glance, that you are licensed and qualified to work. We anticipate this proposed rule change will be discussed at the September Study Session.

## Card Room Employee—Gambling Violations

Name	Violation	Case Outcome
Mon Mao, Class III Tribal Gaming Employee, formerly employed by Emerald Queen Casino, Tacoma	Summary suspension issued due to conducting an illegal gambling operation (bookmaking).	The licensee failed to respond; therefore, an Order of Default, revoking the license, was entered at the February Commission meeting.
Randy Lizama, Card Room Employee (CRE), formerly employed by Luciano's Casino, Tacoma	Summary suspension issued due to participating in an illegal gambling operation (bookmaking).	The licensee failed to respond; therefore, an Order of Default, revoking the license, was entered at the March Commission meeting.
Matt Dorris, CRE, Golden Nugget Casino, Tukwila; Manufacturer's Representative, formerly employed by Vending Data, Las Vegas, Nevada	Providing gambling equipment to an unlicensed dealer's school.	The licensee agreed to surrender his Manufacturer's Representative license, and agreed to a five-day suspension of his CRE license from December 15 through December 20, 2003.
Scott Fjerstad, CRE, Drift On Inn Roadhouse/Casino, Shoreline	Extension of credit, and acceptance of NSF checks.	The licensee agreed to a seven-day suspension. Two days were deferred for one year. The remaining five days were served from November 28 through December 3, 2003.
Paula Oldham, Class III Tribal Gaming Employee, formerly employed at Northern Lights Casino, Anacortes	Fraudulent entry of false information into the casino's player-tracking system to add credits to her husband's account.	The licensee failed to respond; therefore an Order of Default, revoking the license, was entered at the March Commission meeting.
Ashlee Green, CRE, Cadillac Ranch Casino, Longview	Alleged theft.	The licensee agreed to a seven-day suspension, which was served from December 1, through December 7, 2003.
Sana Sroeu, Class III employee, formerly employed at Muckleshoot Casino, Auburn	Theft, fraud, and failure to disclose necessary information.	The licensee agreed to a six-month suspension, which began on January 1, 2004, and runs through June 30, 2004. The licensee also agreed not to hold a management or supervisory position at any casino between January 1 and December 31, 2004.
Michelle Oatis, CRE, formerly employed by Wizard's Casino, Burien	Theft of pull-tabs.	The licensee failed to respond; therefore, an Order of Default, revoking the license, was entered at the March Commission meeting.
Marina Ybanez, CRE, formerly employed by Skyway Park Bowl Casino, Seattle	Theft	The licensee did not respond; therefore, an Order of Default, revoking the license, was entered at the April Commission meeting.
Teresa Wright, CRE, formerly employed at Freddie's Club Casino, Fife	Theft	The licensee did not respond; therefore, an Order of Default, revoking the license was entered at the March Commission meeting. The licensee filed a Motion for Reconsideration, which was scheduled to be heard at the April Commission meeting; however, the licensee did not appear, and the Commissioners denied the motion.
Maly Soeun Sochetra, Class III Employee, formerly employed at Red Wind Casino, Olympia	Cheating	The licensee agreed to surrender her license for eighteen months.
Chi "Ronnie" Wong, CRE, formerly employed Cascade Lanes, Renton; Midway Casino, Des Moines	Cheating	The licensee agreed to surrender his license for one year.
Paulina Tran, CRE, formerly employed by Cadillac Ranch Casino, Longview	Cheating	A hearing was held, and the Administrative Law Judge (ALJ) ordered the license revoked. The licensee filed a Petition for Review, which was heard at the March Commission meeting. The Commissioners modified the ALJ's order, by ordering a thirty day suspension of the license.
Lap Sroeu, CRE, formerly employed by Hawk's Prairie Casino, Lacey	Cheating	The licensee entered a diversion program as a result of criminal charges. As part of her agreement, the licensee agreed to the revocation her license, and agreed not to work for any gambling enterprise, either in Washington or elsewhere, and agreed not to apply for any type of gambling license, either in Washington or elsewhere.
David Phair, CRE, formerly employed at B&B Pub & Grub, Sumas	Criminal history and willful disregard for complying with court orders.	A hearing was held. The ALJ ordered the license revoked.
Vahn Chanthalangsy, CRE, formerly employed by Rascals Casino, Des Moines, & Silver Dollars Casino, SeaTac	Criminal history and failure to disclose criminal history.	A hearing was held, and the ALJ ordered the license revoked. No appeal was filed.
Ronald Stewart, CRE, formerly employed by All Star Casino, Silverdale	Failure to disclose criminal history.	The licensee did not respond; therefore, an Order of Default, revoking the license, was entered at the March Commission meeting.

**Washington State Gambling Commission**

Headquarters: P.O. Box 42400  
 Olympia, Washington 98504-2400  
 Phone: (360) 486-3440  
 Toll Free: (800) 345-2529  
 TDD: (360) 486-3637  
 Website: [wsgc.wa.gov](http://wsgc.wa.gov)

**Call our Field Office closest to you for  
Regulatory or Operational Questions.**

Everett (425) 339-1728  
 Kennewick (509) 734-7412  
 Renton (425) 277-7014  
 Spokane (509) 329-3666  
 Tacoma (253) 471-5312  
 Wenatchee (509) 662-0435  
 Yakima (509) 575-2820

**Answer Key to Word Search on the Front Page**

T	L	O	W	E	N	E	R	D
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S	T	P	I	E	C	E	R	T
L	I	C	E	N	S	E	T	G

**The Next  
Commission  
Meetings:**

**August 12<sup>th</sup> & 13<sup>th</sup>**  
 The Heathman Lodge  
 7801 NE Greenwood Drive  
 Vancouver, WA 98662  
 (360) 254-3100

**September 9<sup>th</sup> & 10<sup>th</sup>**  
 Hampton Inn/Foxhall  
 3985 Bennett Drive  
 Bellingham, WA 98225  
 (360) 676-7700

Editor, Layout and Design: Susan Arland This newsletter is published twice a year.

If you have any questions or comments about our newsletters, or would like to see a topic highlighted in an article, you can reach me at: Susan Arland, Rules Coordinator and Public Information Officer, P.O. Box 42400, Olympia, Washington 98504; (360) 486-3466, (800) 345-2529, Ext. 3466; or e-mail [susana@wsgc.wa.gov](mailto:susana@wsgc.wa.gov)

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an establishment's tipped employees agree to report their tips at the rate that has been established for their respective class, participating employees are guaranteed that they will not be audited for the purpose of verifying tip income. The employer receives certain benefits as well, such as a credit against income tax for its share of FICA tax paid on reported tips.

Representatives of the IRS were present at the June 17, 2004, quarterly card room meeting in Renton to highlight the features of this program and to answer questions. This was an excellent opportunity to learn important information as well as to meet the people who will be dealing directly with you over the near term as the initiative unfolds.

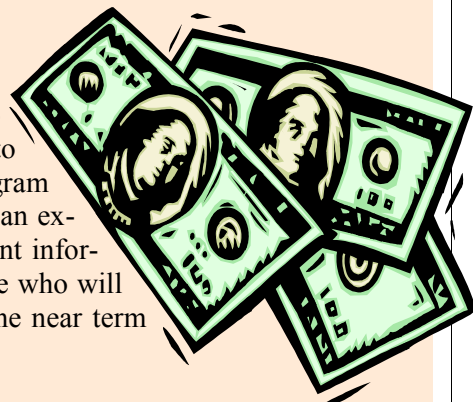
The IRS will be contacting all house-banked facilities in the near future to begin reviewing internal controls and implementing the new procedures for tip reporting. Please contact one of the following IRS agents for further information:

**Tacoma**

Tom McLean (253) 846-5068  
 Eric Magnuson (253) 428-3538

**Seattle**

Pat McLaughlin (425) 775-5656



(Continued from page 2) How to comment on proposed rule changes

Proposed rule changes are normally discussed at three Commission meetings. You are encouraged to attend meetings to address the Commission in person regarding comments you may have. A schedule of Commission meeting dates is posted on our website under Public Meetings. Meeting agendas (list of items to be discussed that day) are linked to the meeting date approximately two weeks prior to each meeting.

Subscribe on our website under Publications to receive an e-notification when meeting agendas and new editions of our newsletters are posted on our website.

If you are not able to attend a meeting, please submit your comments in writing to: Susan Arland, Rules Coordinator, P.O. Box 42400, Olympia, WA 98504, or e-mail [Rulesteam@wsgc.wa.gov](mailto:Rulesteam@wsgc.wa.gov)

